CHAPTER THREE

SURVEY ANALYSIS

Survey efforts were conducted to further examine scheduled commercial air service needs in Arizona. Information from the survey element provided a significant amount of input to determine existing unconstrained demand for scheduled air service at each of the airports included in this study. The data gathered from the survey effort are used to describe each airport's existing service from different perspectives including the public, passengers, and travel agents. From these sources, the type of travel, passenger leakage from local market areas, and the need for service improvements can be identified and used in later analyses.

The survey efforts are described in the following sections:

- Passenger Survey
- Travel Agency Survey and Ticket Log
- Business Survey
- Summary

1. PASSENGER SURVEY

A passenger survey was utilized to gather specific information on the air traveling public at each of the airports included in this study that have existing commercial airline service. The survey was distributed at each of the airports with scheduled commercial air service during July 1998 and August 1998. As of July 1998, Safford Regional Airport, Sedona Airport, and Winslow Municipal Airport did not have scheduled commercial air service. Show Low Municipal Airport re-initiated air service in May 1998; and their passenger survey was undertaken later in the fall. Existing airline service to Grand Canyon National Park Airport is provided now provided exclusively by charter carriers. Passengers using these carriers to reach the Grand Canyon seldom pass through the airport's passenger terminal; as result, passenger surveys were not undertaken at this airport. Airline employees at the airports where surveys were conducted assisted in distributing surveys to enplaning passengers when the passengers checked in at the airline ticket counter. Each airport was requested to conduct the survey for a one-week period. Collection boxes were provided in the gate areas for passengers to deposit their completed surveys as they departed. At the end of the one-week period, completed surveys were returned for analysis.

The passenger survey requested information from the passenger on the location of their residence (for visitors, seasonal/part-time, and full-time local residents), age group, nature of employment, annual gross family income, method for purchasing their airline ticket, usage of commercial airline service in Arizona, final air travel destination, usage of other airports for commercial air travel, factors considered when purchasing airline tickets, and the additional amount traveler would be willing to pay for improved service. Overall, 520 completed passenger surveys were returned for analysis. Of those respondents, approximately 52 percent were full-time residents, 5 percent were seasonal/part-time residents, and 43 percent were visitors to Arizona. The five states that were identified as having the most visitors include: Arizona, California, Texas, Illinois, and Florida. Arizona appears as a top state of origination in the visitor portion of the passenger survey. A review of survey responses for each airport shows that there were a notable number of Phoenix-based business travelers that completed surveys. These Arizona-based business travelers are "visitors" to the community in which they completed the survey. The large number of Arizona-based business travelers resulted in Arizona being identified as a highly-ranked visitor state. This survey information also emphasizes the importance of intrastate commercial airline service between the communities being analyzed in this study and Phoenix, the State's primary center for business and government.

Approximately 30 percent of the total respondents were identified in the 45-54 age group; 23 percent in the 35-44 age group; 16 percent in the 55-64 age group; and 15 percent in the 25-34 age group. The remaining 16 percent were divided between the age groups of 18-24 (7 percent), 65-74 (4 percent), 75 and over (3 percent), and under 18 years of age (2 percent). The majority (34 percent) of the respondents indicated the nature of their employment as not described by the categories offered in the survey. Approximately 16 percent of the respondents described their employment as government-related, 10 percent as service-related, 9 percent as transportation/communication-related, and the remaining 31 percent of the respondents were employed in industries including agriculture, forestry, and fishing; construction, manufacturing, retail trade, financial/insurance/real estate, mining, utilities, and wholesale trade. Approximately 26 percent of the respondents identified an annual gross family income of more than $100,000; 60 percent of the respondents were equally divided among the annual gross family income ranges of $20,001-40,000, $40,001-60,000, and $60,001-80,000; 10 percent of the respondents were included in the $80,001-100,000 annual gross family income range; and the remaining 4 percent of respondents identified an annual gross family income of less than $20,000.

In terms of the method of purchase for airline tickets, approximately 48 percent of the total respondents indicated they purchased their round-trip airline ticket from a travel agent, while 33 percent purchased their tickets directly from the airline. The remaining 19 percent indicated they purchased their airline tickets via in-house corporate ticketing, the military, or the Internet. The respondents were asked to identify the total number of annual departures they make from the airport where they filled out their survey. Responses showed that visitors on average take six trips per year from the local airport where they completed their survey, while local residents take an average of 11 trips per year, and seasonal/part-time residents take an average of 13 trips per year from the local airport where they completed the survey.

The top 10 final travel destinations, as identified by a survey respondents, were as follows:

- Phoenix
- Los Angeles
- Boston
- Seattle
- Tucson
- Chicago
- New York
- Philadelphia
- San Francisco
- Orlando

The results of the visitor and resident passenger surveys show that Phoenix is a top travel destination. An estimated one out of every five enplanements at the airports being analyzed in the Air Service Study is bound only to or from Phoenix. In some markets, the number of passengers traveling only to Phoenix exceeds 50 percent of all enplanements.

The trip purpose of the respondents to all destinations was divided as follows: 42 percent vacation/personal, 53 percent business, 3 percent military, and 2 percent other purposes not specified. Specific business names were noted by some survey respondents traveling on business. This list of businesses, along with specific businesses identified by the study airports, was used as the basis for a business survey.

Various factors are considered by passengers when they purchase airline tickets. On average, the respondents to this study's passenger survey noted that reliability of service is the most important factor they consider, followed by the cost of airline travel. Non-stop versus connecting service, frequency of service, and time of day preference were noted next in terms of importance to the passengers. Less important factors considered by respondents include airline providing service, scheduled versus charter service, and availability of an aircraft with more than 30 seats.

Approximately 60 percent of the respondents to the passenger survey noted they would not be willing to pay higher fares for improved service. The remaining 40 percent of respondents would be willing to pay an additional amount per ticket for improved commercial airline service. These respondents, on average, would pay an additional $57 per ticket for improved nonstop versus connecting service, $91 per ticket for additional frequencies of service, and $171 per ticket for improvements in the reliability of service. Respondents also noted they would be willing to pay an average of an additional $244 per ticket in order to have jet service.

Table 3-1 summarizes some of the key findings from the survey of visiting, local, and seasonal passengers that was conducted for the Arizona Air Service Study. As presented in the table, markets such as Bullhead City, Flagstaff, and Yuma had a higher percentage of visitor-related travel over resident and seasonal resident-related travel. Cities such as Kingman, Lake Havasu, Page, Prescott, and Sierra Vista had resident-related travel that comprised a higher percentage of the market's passenger activity. During the survey period, seasonal residents were recorded as being only a small percentage of total passenger demand. On a statewide basis, the survey results revealed an estimated 57 percent of the travelers are residents, 37 percent are visitors, and 6 percent are seasonal residents.

TABLE 3-1

PASSENGER SURVEY SUMMARY
(Distribution and Departures)

	% Distribution by Traveler Type			% Departures by Airport	
City	Visitor	Full-time Resident	Seasonal Resident	Local	Other
Bullhead City	50	45	5	78	22
Flagstaff	58	36	6	72	28
Kingman	21	75	4	70	30
Lake Havasu City	29	65	6	68	32
Page	41	50	9	75	25
Prescott	22	67	11	67	33
Show Low	42	42	16	56	44
Sierra Vista	24	76	0	74	26
Yuma	50	45	5	82	18

Source: The Airport Technology and Planning Group, Inc. (AirTech)

As noted in Table 3-1, the majority of travelers surveyed in all of the markets indicated they use local airports for their departures more frequently than more distant competing airports. On a statewide basis, approximately 73 percent of the travelers that participated in the passenger survey departed from local airports, while the remaining 27 percent used other airports for their departures from the market areas. It is important to note that each of the study airports appears to have a loyal core of travelers who most often use the local airport. As will be discussed subsequently, however, in almost all markets, there is a much larger percentage of the traveling public who seldom or who never use the local airport. Data presented in Table 3-1 reflects the responses of those travelers who are loyal to the local airport. As shown in **Table 3-2,** the predominant trip purpose for most visitors to the State, as determined from the passenger surveys, was for business. An estimated 59 percent of all visitor-related passengers surveyed in this study were traveling for business, 38 percent were traveling for vacation/personal activities, and the remaining 3 percent were traveling for military or other activities. For the resident travelers responding to this study's passenger survey, 45 percent were traveling on business, 47 percent were traveling for vacation/pleasure, and the remaining 8 percent were traveling for military or other purposes. Approximately 76 percent of all seasonal resident travel was reported to be for business; the remaining 24 percent was for vacation/personal activities.

TABLE 3-2

PASSENGER SURVEY SUMMARY
(Trip Purpose)

	Visitor			Full-time Resident			Seasonal Resident		
City	Business	Vacation/ Personal	Military/ Other	Business	Vacation/ Personal	Military Other	Business	Vacation/ Personal	Military/ Other
Bullhead City	70	30	0	12	88	0	100	0	0
Flagstaff	37	55	8	66	32	2	75	25	0
Kingman	100	0	0	33	33	34	100	0	0
Lake Havasu City	62	38	0	42	50	8	100	0	0
Page	46	54	0	50	50	0	33	67	0
Prescott	40	60	0	58	39	3	67	33	0
Show Low	48	52	0	72	24	4	40	60	0
Sierra Vista	50	40	10	65	29	6	0	0	0
Yuma	70	23	7	37	56	7	60	40	0

Source: The Airport Technology and Planning Group, Inc. (AirTech)

Table 3-3 summarizes other statistics for the majority of respondents from each individual airport. Overall, it can be noted that the majority of passenger respondents from each airport indicated the nature of their employment as service-related. The survey respondents were primarily within the age range of 45-54 and had an annual family gross income of $20,001-$40,000. The majority of airports surveyed had area resident respondents who indicated private automobiles as the principal mode of transportation to reach other competing airports. The majority of respondents from all airports noted reliability of service as the most important factor considered when they select a departure airport. The majority of passenger respondents indicated Phoenix as the hub airport that best meets their needs. It can be concluded that, for the most part, passenger respondents would not be willing to pay higher fares for improved service. Detailed information on the passenger survey results for each individual airport is provided in **Appendix B**.

Comparatively, the results from the passenger surveys conducted for the Arizona Air Service Study are in line with results from other statewide and airport-specific passenger surveys. In Colorado, for example, passenger surveys conducted in September of 1996 yielded similar results. In Colorado, approximately 55 percent of the passenger survey respondents were residents compared to 57 percent in the Arizona passenger surveys. Other than home states (Arizona and Colorado), the two surveys identified the top states for visitors being California, Texas, Illinois, and Florida. For residents, similar responses were yielded in terms of travel frequency in both surveys. Local residents in

TABLE 3-3

Arizona Department of Transportation
Arizona Air Service Study

PASSENGER SURVEY SUMMARY
(Other Statistics for Majority)

City	Employment	Age Group	Income	Mode of Transportation	Purchasing Factor	Airport Factor	Best Hub	Pay for Improved Service
Bullhead City	Services	18-24	$20,001-$40,000	private automobile	reliability	nearby hotel/motel	Las Vegas	no
Flagstaff	Services	55-64	over $100,000	private automobile	reliability	rental car	Phoenix	no
Kingman	Services	25-34	$20,001-$40,000	private automobile	reliability	telephone	Phoenix	no
Lake Havasu	Services	45-54	$60,001-$80,000	private automobile	reliability	on-site auto parking telephone	Phoenix	no
Page	Services	45-54	$40,001-$60,000	private automobile	reliability	nearby hotel/motel	Phoenix	no
Prescott	Services	25-34 55-64	under $10,000 $20,001-$40,000 $60,001-$80,000 over $100,000	private automobile	reliability	on-site auto parking	Phoenix	yes
Show Low	Services	35-44	$20,001-$40,000	private automobile	reliability	on-site auto parking	Phoenix	no
Sierra Vista	Government	35-44	$20,001-$40,000	private automobile	reliability	on-site auto parking	Phoenix	no
Yuma	Government	45-54	over $100,000	private automobile	reliability	nearby hotel/motel	Phoenix	no

Source: The Airport Technology and Planning Group, Inc. (AirTech)

Colorado noted they took an average of 12 trips per year, while full-time local residents in Arizona average 11 trips per year. These travel frequencies are related to two separate factors: business travel and significant leisure travel in both states. Business travel accounted for 53 percent of the Arizona passenger survey responses and 47 percent of the Colorado passenger survey responses; most business travelers travel frequently. Both surveys noted that the respective hub airports, Phoenix and Denver, accounted for a high percentage of origination and destination traffic from the outlying markets.

2. TRAVEL AGENCY SURVEY AND TICKET LOG

Travel agents typically provide an avenue for examining local travel patterns in an airport's market area. As noted from the passenger survey, approximately 42 percent of the local respondents indicated they purchased their commercial service airline ticket from a travel agent. Therefore, two different surveys were undertaken with the travel agencies serving the Arizona airport market areas being examined in this study. The first survey was a one-page, double-sided questionnaire that requested information on total sales for each agency. The second survey was a travel agent ticket log. The ticket log survey provides a means for obtaining more specific information on actual airline ticket sales. The ticket log provides space for the travel agents to record information for each airline ticket sold by the agency, including the departure airport, fare paid, destination airport, airline used, connecting hub used, purpose of air travel, and reason for choosing an alternative airport over a local airport. The first questionnaire, mailed to all travel agencies identified within the markets being studied, contained a question that asked if the agency would be willing to participate in the ticket log survey. Approximately 15 agencies responded they would participate. Each agency was requested to conduct the ticket log for a 30-day period. Only two travel agencies returned completed ticket log surveys. The results of the travel agency survey efforts are described in the following sections.

A. Travel Agency Survey

A survey of the travel agencies located in the market areas for the 13 study airports was conducted to gather data related to commercial air travel demand. The surveys were conducted via the telephone and facsimile (fax) machine in July and August of 1998. A total of 68 responses were received from travel agencies around the State. While the number of responses varied by market area, data from travel agents was provided for every market with the exception of Winslow. The data collected from the travel agencies was weighted based on each agency's total ticket sales to more accurately depict the travel patterns of local passengers.

Information obtained from travel agent surveys is key to developing a data base on existing commercial air service patterns in Arizona. Travel agents typically sell a notable percentage of the tickets for airline travel, with their percentage of total ticket sales varying by market as discussed in the passenger survey analysis. Travel agents provide a good source of information related to the travel patterns of local residents.

Airports are required to record and track their passenger enplanements; these enplanement records provide information on the number of passengers using each airport on an annual basis. Enplanement records, however, do not indicate where passengers are traveling from to use a particular airport. If a passenger in a local market area routinely purchases tickets for departures from another airport, either within or beyond the State, this passenger and the passenger's travel patterns are not recorded at the local airport.

The following provides a brief summary, on a statewide basis, of information derived from the travel agent survey:

- Travel agencies were requested to provide an estimate of the total number of airline tickets sold during 1997 or to provide an estimate of the total annual dollar value of their airline ticket sales and the average ticket price. Overall, travel agencies providing data for this analysis estimated they sold approximately $1.23 million in airline tickets during 1997.

- Travel agencies were requested to provide an estimate of their proportion of business versus vacation/personal travel sales. For Arizona as a whole, according to the travel agents, business travelers, or non-discretionary travelers, represent approximately 39 percent of total passenger travel, compared to 61 percent vacation/personal or discretionary travel.

- The top five travel destinations, according to the travel agents, for travelers from Arizona are:

  - Los Angeles, California
  - Hawaii (various destinations)
  - New York City, New York
  - San Diego, California
  - Chicago, Illinois

- Travel agents in each of the study communities were asked to express their belief in their customers' willingness to pay higher fares for improved service. Travel agents believe that 71 percent of their customers would not pay higher fares, while 29 percent of customers would pay an average additional amount per ticket of $36.80 for improved service.

- In terms of peak travel periods, travel agents noted that the winter season generates the most significant amount of air travel. Winter represents approximately 49 percent of annual air travel and 35 percent of annual airline ticket sales. Travel agents believe that approximately 60 percent of their customers experience more reliability problems in a particular season.

Table 3-4 presents a summary of some of the data that was obtained from the travel agent interviews/surveys that were conducted as part of this study. All markets that are being analyzed in this Air Service Study experience some level of passenger leakage to other competing airports which are either within or beyond the State. For this study, data from several sources including the passengers, the airports, and the travel agents were used to ultimately determine the leakage of passengers from the market area for each of the study airports. As shown in Table 3-4, according to information supplied by travel agents, several of the existing airports are thought to be capturing less than 7 percent of the total passenger demand that is associated with the resident portion of the market's air travelers. The airports serving Yuma, Page, and Flagstaff are, according to information supplied by the travel agents, thought to be capturing the highest percentage of their associated air travel markets. Passenger capture rates for these markets are all estimated to be in the 17 to 38 percent range. If all markets are averaged, according to the information supplied by the State's travel agents, the study airports are capturing an average of only 10 percent of their total commercial air travel demand. This indicates that around the State passenger leakage from one market to another (as it applies to the study airports only) averages 90 percent.

TABLE 3-4

TRAVEL AGENT SURVEY SUMMARY

	% Ticket Sales by Airport		% Ticket Sales by Trip Purposes		
Market Area	Local Airport	Other Airports	Business	Vacation/ Pleasure	Military
Bullhead City	6	94	84	16	0
Flagstaff	17	83	62	38	0
Grand Canyon	5	95	95	5	0
Kingman	4	96	78	22	0
Lake Havasu City	12	88	83	17	0
Page	24	76	55	35	0
Prescott	6	94	82	18	0
Safford	0	100	60	40	0
Sedona	0	100	77	20	3
Show Low	0	100	85	10	5
Sierra Vista	5	95	70	27	3
Yuma	38	62	54	44	2

Source: The Airport Technology and Planning Group, Inc. (AirTech)

Subsequent portions of the Air Service Study will use the various market diagnostics efforts to identify an unconstrained passenger demand level for all study airports that reflects each market's total resident and visitor demand for commercial airline travel. According to the travel agents around the State, of all the tickets they sell, 39 percent are for business-related travel and 61 percent are for vacation or pleasure-related travel. Information obtained from the passenger surveys for Arizona residents showed that travel was split approximately 53 percent for business purposes, 42 percent for vacation and pleasure purposes, and 5 for military purposes. This indicates that residents traveling on business have a propensity to purchase their tickets by some method other than a travel agent. Other methods of ticket purchase could include in-house corporate ticketing, Internet purchase, or direct airline purchase. Due to the large discretionary resident market, as identified by the travel agents, the majority of Arizona's air travelers are price sensitive. This fact is extremely important to estimating what portion of each market's unconstrained demand can actually be captured by the various study airports.

Specific information on the results of each airport market area's travel agent surveys is presented in **Appendix C**. No information is presented on Winslow Municipal Airport either in Appendix C or in Table 3-4 because travel agencies in the Winslow area did not respond to this study's survey efforts.

B. Travel Agency Ticket Log

As previously discussed, travel agencies serving the commercial service airports in Arizona were requested to conduct a 30-day ticket log to record information regarding actual tickets they sold during the survey time frame. The primary reason for the ticket log was to have a "snapshot" of actual ticket sales for the individual market areas. Travel agencies in Arizona were requested to participate in the ticket log; only two travel agencies were willing to participate in the survey. These two agencies were from Flagstaff and Prescott.

The following provides a brief summary of the results of the ticket log from the responding area travel agents:

- The ticket logs returned by this travel agency accounted for approximately 102 tickets that were sold during a one-month period.

- Approximately 27 percent of all tickets sold were for departures from the Flagstaff Municipal Airport. The remaining 73 percent of tickets sold were for departures from Phoenix Sky Harbor.

- Of the tickets that were purchased for departures from Flagstaff, approximately 95 percent were for business-related travel and 5 percent were for pleasure-related travel. Approximately 25 percent of the tickets purchased for departures from Phoenix were for business-related travel and 75 percent were for pleasure-related travel. This indicates that the business travelers using this travel agency were more likely to use the local airport.

- Top final destinations of those travelers departing from Flagstaff were Denver, St. Louis, and Phoenix. Denver, Portland, Los Cabos (Mexico), Ontario, and Baltimore were the top destinations of the travelers departing from Phoenix.

- An average round trip fare for passengers departing from Flagstaff was $470.55. This average fare price excludes a $1,600 ticket purchased for departure from Flagstaff. An average round trip fare for passengers departing from Phoenix was $270.86.

- All of the passengers that purchased tickets for Flagstaff departures traveled on America West Airlines. It should be noted that America West is currently the only airline with service to and from Flagstaff. Survey results showed that the majority of passengers departing from Phoenix also traveled on America West Airlines (53 percent). Approximately 14 percent of passengers flew United Airlines and 9 percent of passengers flew Delta Airlines. The remaining 24 percent of passengers traveled on various airlines including Continental, Southwest, Alaska, Northwest, American, and Frontier.

- All of the passengers departing from Flagstaff used Phoenix as their primary connecting hub to their final destination. Approximately 17 percent of passengers departing from Phoenix used Atlanta as a secondary connecting hub and 17 percent of passengers used Minneapolis as a secondary connecting hub. The remaining 66 percent of passengers departing from Phoenix used connecting hubs including Cleveland, Salt Lake City, Cincinnati, Houston, Chicago, Seattle, and Las Vegas.

- When asked to identify the reasons for passengers choosing alternative airports other than the local airport, the survey revealed fare as the primary reason. Very few passengers identified other reasons such as airline preference, larger jet aircraft, or international travel, for choosing alternative airports.

The following provides a brief summary of the major conclusions derived from the Prescott area travel agency ticket log:

- The ticket logs returned by this travel agency accounted for approximately 152 tickets that were sold to residents during a one-month period.

- Approximately 5 percent of all tickets sold were for departures from the Prescott-Ernest A. Love Field Airport. The remaining 95 percent were for departures from Phoenix Sky Harbor.

- Of the tickets that were purchased for local departures, approximately 43 percent were for business-related travel and 57 percent were for pleasure-related travel. Approximately 17 percent of the tickets purchased for departures from Phoenix were for business-related travel and 83 percent were for pleasure-related travel.

- Top final destinations of those travelers departing from Prescott were Phoenix, Dallas, Kansas City, St. Louis, Atlanta, New York, and Long Beach. Survey results showed Chicago, Philadelphia, Burbank, and Salt Lake City as the top destinations for those travelers departing from Phoenix.

- An average round trip fare for passengers departing from Prescott was $322.05. This average fare price excludes a $1,772 ticket purchased for departure from Prescott. An average round trip fare for passengers departing from Phoenix was $311.94.

- All of the passengers that departed from the Ernest A. Love Field Airport traveled on America West Airlines. Currently, America West is the only regional carrier providing service to and from the Prescott area. Of passengers departing from Phoenix, 40 percent traveled on America West. Approximately 17 percent of passengers flew Southwest Airlines, 8 percent of passengers flew Northwest Airlines, 6 percent of passengers flew Continental, and 6 percent of passengers flew ATA. The remaining 23 percent of passengers traveled on various airlines including TWA, American, United, US Airways, Frontier, Aeromexico, and Alaska.

- Survey results showed that all of the passengers departing from Prescott used Phoenix as the connecting hub to their final destination. Approximately 36 percent of passengers departing from Phoenix were equally divided in their use of secondary connecting hubs at St. Louis, Minneapolis, and Detroit in order to reach their final destination. Approximately 10 percent of passengers used Houston, 8 percent used Las Vegas, and 8 percent used Chicago as their secondary connecting hub. The remaining 38 percent of passengers used connecting hubs including Houston, San Francisco, New York, Denver, Los Angeles, Dallas, and Atlanta.

- The availability of lower fares was noted as the primary reason for Prescott residents choosing to depart from alternative airports over the local airport. Airline preference and international travel were infrequently noted as other reasons for choosing alternative airports for departures.

3. BUSINESS SURVEY

A business survey was administered as part of the Air Service Study to help identify travel patterns of businesses who rely on air service on a frequent and regular basis. Data was also sought from

Arizona businesses related to their propensity to drive rather than fly when traveling in Arizona for business. Information gained from passenger surveys, airport meetings, and airport managers was used to develop a list of businesses within the markets served by airports analyzed this study. Data was provided on businesses in all of the communities addressed in the Air Service Study with the exception of the Grand Canyon. The Grand Canyon community did not provide a significant number of business contacts for this portion of the study. An attempt was made to contact each of the identified businesses by telephone. Of the approximately 56 businesses that were phoned, 53 businesses (95 percent) responded to the telephone interview.

Most of the respondents indicated that they use scheduled air service as part of their business activities. Only 21 percent of the respondents indicated they do not use scheduled air service to conduct business. The survey responses are useful to this study to further define business use of commercial air service in various Arizona markets. Of the business survey respondents, approximately 25 percent were located in Kingman, while Lake Havasu, Yuma, and Prescott each had approximately 15 percent of the respondents. The remaining respondents were located in Page, Sierra Vista, Show Low, Winslow, Sedona, and Flagstaff. It is important to note that employers/businesses in Arizona's two major markets (i.e., Phoenix and Tucson) were not surveyed.

Businesses were requested to identify their method of airline tickets purchase. Only two of the respondents indicated that they purchase their tickets directly from the airlines and seven respondents purchase their tickets through corporate in-house ticketing; the remaining businesses indicated they purchase their airline tickets through a local travel agency. This confirms the importance of conducting travel agency surveys to gather data on business travel needs. The businesses were asked what airports they used for the majority of their departures. The airports identified by the respondents were Phoenix Sky Harbor (30 percent), Las Vegas McCarran (15 percent), and Yuma International (10 percent). Other airports that were used to on a less frequent basis were Page, Flagstaff, Prescott, Sierra Vista, Tucson, Show Low, Bullhead City, and Kingman.

The survey also requested information regarding each company's intrastate travel needs. Approximately 85 percent of the survey respondents indicated that their employees travel within the State. The intrastate trips are divided between driving and flying. Of these intrastate travelers, approximately 18 percent use airline service to reach their destination and 82 percent use the highway system. Further, the respondents who indicated that their employees travel intrastate were asked what percentage of the time they drove to their destination in lieu of flying. The businesses indicated they depend on the availability of commercial air service to varying degrees. Using percentage estimates provided by survey results, all survey respondents indicated that they choose driving for at least some portion of all intrastate trips they take. Distance of travel was cited as the primary factor in determining whether employees will drive as opposed to flying. Assuming that businesses contacted for this part of the Air Service Study are representative of all businesses statewide, an estimated 82 percent of all instate travel is accommodated by the highway, while the remaining 18 percent of all intrastate travel is accommodated by air. When asked why they would rather drive than fly, 43 percent of the respondents indicated that flying is too expensive, 27 percent indicated that air service to their desired destination is too inconvenient, 25 percent indicated that flight times do not fit their schedules, while the remainder indicated that service is either too infrequent, unavailable, or unreliable.

4. SUMMARY

The survey results from the three surveys and information gathered through the airport meetings are used extensively in subsequent analyses. Detailed information from the survey results of each individual airport is provided in appendices to this study. The results of the surveys are used to identify the origination of commercial air travel demand in each market area, the amount of commercial air travel demand that is generated locally versus the percent associated with visitors, and the percentage of passenger diversion from the local airports to other airports. From these results, a "potential" enplanement level can be established for each airport. The potential demand level is used to determine if a market can support new, improved, or additional scheduled commercial air service.